

## **City of Sunnyvale**

### **Program Performance Budget**

#### **Program 717 - Payroll Administration**

##### **Program Performance Statement**

Provide Payroll Services on a bi-weekly basis in support of City operations in accordance with Administrative Policies and Memoranda of Understanding with employee labor unions (MOU), by:

- Providing accurate and timely payroll services for all city employees,
- Providing regulatory reports to all Federal and State agencies including but not limited to Federal Form 941, State Form DE6 and Public Employees Retirement System (PERS),
- Provide employees with annual W-2,
- Providing timely employee payroll history requests for appropriate outside agencies such as Unemployment Insurance and PERS service credit, employees and managers,
- Reconciling all payroll mandated and voluntary deductions including but not limited to taxes, credit union, charitable contributions and deferred compensation accounts to General Ledger per pay period, accounting period, quarter or annually as appropriate, and
- Maintaining the City's payroll system to ensure its integrity and reliability by providing daily maintenance and troubleshooting; security and structural set-ups and, most current upgrades.

##### **Notes**

1. Increase in payroll hours is due to implementing new payroll software. Once the new software is online ITD will no longer run the processing of payroll after work hours, those duties will fall on Payroll staff during the work day.

# City of Sunnyvale

## Program Performance Budget

### Program 717 - Payroll Administration

#### Program Measures

#### Quality

	Priority	2006/2007 Adopted	2007/2008 Current
* Payroll is distributed bi-weekly with accuracy.	M		
- <b>Accuracy Rate</b>		<b>95.00%</b>	<b>95.00%</b>
- Number of Paychecks		32,000.00	32,000.00
* Bi-Weekly Payroll is distributed on time.	M		
- <b>Number of Payrolls</b>		<b>100.00%</b>	<b>100.00%</b>
* Manual checks are accurately prepared by date requested.	I		
- <b>Accuracy Rate</b>		<b>95.00%</b>	<b>95.00%</b>
- Number of Manual Checks Issued		100.00	100.00
* The City's Internal Customer Satisfaction Survey indicates that the internal customers are generally satisfied with the payroll services received.	I		
- <b>Percent Satisfied</b>		<b>90.00%</b>	<b>90.00%</b>

#### Productivity

* Regulatory reports are submitted by due date.	M		
- <b>Percent Submitted by Due Date</b>		<b>100.00%</b>	<b>100.00%</b>
* Reconciliation processes are completed within 30 days of close of the Accounting Period.	I		
- <b>Percent Completed On Time</b>		<b>90.00%</b>	<b>90.00%</b>
* Employee history reports are completed within 30 days of request.	I		
- <b>Percent Completed On Time</b>		<b>90.00%</b>	<b>90.00%</b>
* Structural set-ups and security set-ups for the payroll system are completed within two days after receipt of request.	I		
- <b>Percent within Two Days</b>		<b>97.00%</b>	<b>97.00%</b>
* The payroll system is available at least 98% of the year.	I		
- <b>Percent Available</b>		<b>98.00%</b>	<b>98.00%</b>

#### Cost Effectiveness

* The direct cost to issue a payroll check will be less than or equal to the planned cost.	I		
- <b>Cost Per Payroll Check</b>		<b>\$4.49</b>	<b>\$4.62</b>

#### Financial

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Program Measures**

**Financial**

\* Actual total expenditures for Payroll Administration will not exceed planned program expenditures.

**- Total Program Expenditures**

<b>Priority</b>	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
C	\$439,667.00	\$443,378.00

**Priority Legend**

M: Mandatory  
C: Council Highest Priority  
I: Important  
D: Desirable

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71711 - Process Regular Payroll**

Process the automatic payroll for approximately 1,200 City employees on a bi-weekly basis in an accurate and timely manner, by:

- Transmitting direct deposit and payroll tax payments,
- Inputting timecards, auditing reports and calculating, preparing, reconciling, processing and distributing payroll checks,
- Issuing mandated and voluntary deduction checks requisitions, garnishment payments, wire transfer documents and inputting into the City's General Ledger (GL),
- Processing deferred compensation reports, issue wire transfer form and transmitting to vendor, and
- Attending training classes, pay committee meetings and staff meetings.

**Notes**

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71711 - Process Regular Payroll**

	<u>2006/2007 Adopted</u>	<u>2007/2008 Current</u>
<b>Activity 717100 - Process Regular Payroll - Input Timecards, Reconcile Payroll Audit Reports and Distribute Pay Checks, Transmit Direct Deposit and Payroll Taxes</b>		
Product: A Check Issued		
Costs:	\$149,410	\$156,306
Products:	33,000	33,000
Work Hours:	2,220	2,246
Product Cost:	\$4.53	\$4.74
Work Hours/Product:	0.07	0.07
<b>Activity 717110 - Issue Payroll Voluntary Deduction Check Requisitions, Garnishment Checks and Payroll Tax Wires and Input into GL</b>		
Product: A Check Requisition Issued		
Costs:	\$6,884	\$7,138
Products:	975	975
Work Hours:	106	106
Product Cost:	\$7.06	\$7.32
Work Hours/Product:	0.11	0.11
<b>Activity 717120 - Process Deferred Compensation by Auditing Report, Preparing Wire Form and Transmitting or Sending Report to Vendors</b>		
Product: A Deferred Compensation Carrier		
Costs:	\$3,826	\$3,971
Products:	4	4
Work Hours:	60	60
Product Cost:	\$956.59	\$992.77
Work Hours/Product:	15.00	15.00

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71711 - Process Regular Payroll**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717130 - Staff Training and Development</b>		
Product: A Training Hour		
Costs:	\$7,258	\$4,365
Products:	80	40
Work Hours:	80	40
Product Cost:	\$90.72	\$109.12
Work Hours/Product:	1.00	1.00
<b>Activity 717140 - Payroll System Rental Rates</b>		
Product: A Check Issued		
Costs:	\$127,072	\$120,166
Products:	33,000	33,000
Work Hours:	0	0
Product Cost:	\$3.85	\$3.64
Work Hours/Product:	0.00	0.00
<b>Totals for Service Delivery Plan 71711 - Process Regular Payroll</b>		
<b>Costs:</b>	<b>\$294,450</b>	<b>\$291,946</b>
<b>Hours:</b>	<b>2,466</b>	<b>2,452</b>

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71712 - Issue Manual Checks, Process Special Pay, Corrections and Adjustments**

Calculate, prepare, process and reconcile special pays, by:

- Issuing manual checks,
- Reconciling and processing corrections and adjustments,
- Processing special payrolls including bonus, retros, advanced disability payment to PERS, and
- Preparing interface documents for update to financial system for manual checks, adjustments and voluntary Leaves Without Pay (LWOP).

**Notes**

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71712 - Issue Manual Checks, Process Special Pay, Corrections and Adjustments**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717200 - Issue Manual Checks and Prepare Manual Check Register</b>		
Product: A Check Issued		
Costs:	\$7,864	\$8,157
Products:	85	85
Work Hours:	122	122
Product Cost:	\$92.52	\$95.97
Work Hours/Product:	1.44	1.44
<b>Activity 717210 - Process Special Payrolls</b>		
Product: A Check Issued		
Costs:	\$4,272	\$4,410
Products:	800	800
Work Hours:	60	60
Product Cost:	\$5.34	\$5.51
Work Hours/Product:	0.08	0.08
<b>Activity 717220 - Update Employee Manual Checks and Work and Leave Time Adjustments In Payroll System</b>		
Product: An Employee Record		
Costs:	\$16,809	\$17,400
Products:	1,000	1,000
Work Hours:	250	250
Product Cost:	\$16.81	\$17.40
Work Hours/Product:	0.25	0.25



**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71712 - Issue Manual Checks, Process Special Pay, Corrections and Adjustments**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717230 - Prepare Journal Vouchers for Corrections and Manual Checks for GL Update</b>		
Product: A PM Document Per Year		
Costs:	\$7,653	\$7,942
Products:	26	26
Work Hours:	120	120
Product Cost:	\$294.33	\$305.47
Work Hours/Product:	4.62	4.62
<b>Activity 717240 - Process Year-End Corrections and Adjustments</b>		
Product: An Adjustment		
Costs:	\$13,428	\$13,867
Products:	50	50
Work Hours:	190	190
Product Cost:	\$268.56	\$277.35
Work Hours/Product:	3.80	3.80
<b>Totals for Service Delivery Plan 71712 - Issue Manual Checks, Process Special Pay, Corrections and Adjustments</b>		
<b>Costs:</b>	<b>\$50,026</b>	<b>\$51,777</b>
<b>Hours:</b>	<b>742</b>	<b>742</b>

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71713 - Regulatory Reporting**

Ensure that all required payroll regulatory reports are submitted accurately by due date, by:

- Issuing PERS reports for automatic and special payrolls,
- Issuing monthly, quarterly and annual Federal and State reports,
- Issuing annual labor census reports, and
- Issuing annual employee W-2s.

**Notes**

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71713 - Regulatory Reporting**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717300 - Process, Reconcile and Issue PERS Reporting for Automatic and Special Payrolls</b>		
Product: A Report		
Costs:	\$2,284	\$2,351
Products:	26	26
Work Hours:	30	30
Product Cost:	\$87.86	\$90.44
Work Hours/Product:	1.15	1.15
<b>Activity 717310 - Process, Reconcile and Issue Monthly, Quarterly and Annual Federal and State Reports</b>		
Product: A Report		
Costs:	\$4,580	\$5,518
Products:	27	27
Work Hours:	66	76
Product Cost:	\$169.63	\$204.36
Work Hours/Product:	2.44	2.81
<b>Activity 717320 - Process, Reconcile and Issue Annual Labor Census</b>		
Product: A Report		
Costs:	\$1,827	\$1,881
Products:	2	2
Work Hours:	24	24
Product Cost:	\$913.74	\$940.53
Work Hours/Product:	12.00	12.00

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71713 - Regulatory Reporting**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717330 - Process, Reconcile and Issue W-2s</b>		
Product: A W-2		
Costs:	\$7,706	\$7,935
Products:	1,600	1,600
Work Hours:	100	100
Product Cost:	\$4.82	\$4.96
Work Hours/Product:	0.06	0.06
<b>Totals for Service Delivery Plan 71713 - Regulatory Reporting</b>		
<b>Costs:</b>	<b>\$16,398</b>	<b>\$17,686</b>
<b>Hours:</b>	<b>220</b>	<b>230</b>

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71714 - Payroll Related Reconciliations**

Reconciliations to the General Ledger (GL) on payroll related accounts are performed in a timely manner, by:

- Reconciling payroll liabilities accounts each accounting period (AP),
- Reconciling the GL account - wages payroll (3900) each accounting period (AP),
- Reconciling the deferred compensation account each quarter,
- Reconciling year-end accruals and payroll receivable accounts at the end of the fiscal year, and
- Reconciling the taxable wages control sheet each payroll.

**Notes**

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71714 - Payroll Related Reconciliations**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717400 - Reconcile Payroll Liabilities Accounts Each Accounting Period</b>		
Product: An Accounting Period		
Costs:	\$3,046	\$3,135
Products:	13	13
Work Hours:	40	40
Product Cost:	\$234.29	\$241.16
Work Hours/Product:	3.08	3.08
<b>Activity 717410 - Reconcile Wages Payable Account (3900) Each Accounting Period</b>		
Product: An Accounting Period		
Costs:	\$4,904	\$5,100
Products:	13	13
Work Hours:	80	80
Product Cost:	\$377.22	\$392.28
Work Hours/Product:	6.15	6.15
<b>Activity 717420 - Reconcile Deferred Compensation Each Quarter</b>		
Product: A Quarter		
Costs:	\$609	\$627
Products:	4	4
Work Hours:	8	8
Product Cost:	\$152.29	\$156.75
Work Hours/Product:	2.00	2.00

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71714 - Payroll Related Reconciliations**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717430 - Reconcile Year-End Reconciliations for Accruals and Payroll Receivable</b>		
Product: A Reconciliation		
Costs:	\$609	\$627
Products:	4	4
Work Hours:	8	8
 Product Cost:	 \$152.29	 \$156.75
Work Hours/Product:	2.00	2.00
 <b>Activity 717440 - Reconcile Payroll Taxable Wages Control Sheet Each Payroll</b>		
Product: A Pay Period		
Costs:	\$1,980	\$2,351
Products:	26	26
Work Hours:	26	30
 Product Cost:	 \$76.14	 \$90.44
Work Hours/Product:	1.00	1.15
 <b>Totals for Service Delivery Plan 71714 - Payroll Related Reconciliations</b>		
 <b>Costs:</b>	 <b>\$11,148</b>	 <b>\$11,840</b>
<b>Hours:</b>	<b>162</b>	<b>166</b>

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71715 - Provide Payroll Information and Verifications**

Provide historical payroll information and/or verification to employees, managers and other appropriate outside agencies as requested, by:

- Providing PERS years-of-service requests,
- Providing EDD unemployment insurance verification, and
- Providing additional payroll information to other agencies.

**Notes**



**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71715 - Provide Payroll Information and Verifications**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717500 - Provide PERS with Years-of-Service Requests within 30 Days</b>		
Product: A Request		
Costs:	\$5,498	\$5,685
Products:	55	55
Work Hours:	80	80
Product Cost:	\$99.96	\$103.36
Work Hours/Product:	1.45	1.45
<b>Activity 717510 - Provide EDD with Unemployment Insurance Verification Requests within 30 Days</b>		
Product: A Request		
Costs:	\$5,498	\$5,685
Products:	20	20
Work Hours:	80	80
Product Cost:	\$274.89	\$284.25
Work Hours/Product:	4.00	4.00
<b>Activity 717520 - Provide Inquiry Information to Employees, Managers and Other Agencies within 30 Days</b>		
Product: An Inquiry		
Costs:	\$3,510	\$3,626
Products:	20	20
Work Hours:	50	50
Product Cost:	\$175.51	\$181.31
Work Hours/Product:	2.50	2.50

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71715 - Provide Payroll Information and Verifications**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717530 - Payroll Special Projects</b>		
Product: A Project		
Costs:	\$6,350	\$6,708
Products:	4	4
Work Hours:	60	60
 Product Cost:	 \$1,587.55	 \$1,676.97
Work Hours/Product:	15.00	15.00
 <b>Activity 717540 - Administrative Support Services</b>		
Product: A Work Hour		
Costs:	\$15,229	\$15,675
Products:	200	200
Work Hours:	200	200
 Product Cost:	 \$76.14	 \$78.38
Work Hours/Product:	1.00	1.00
 <b>Totals for Service Delivery Plan 71715 - Provide Payroll Information and Verifications</b>		
 <b>Costs:</b>	 <b>\$36,085</b>	 <b>\$37,379</b>
<b>Hours:</b>	<b>470</b>	<b>470</b>

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71716 - Maintain City's Payroll System**

Maintain the City's payroll system to ensure its integrity and reliability, by:

- Providing most current required enhancements and upgrades as they become available, including extensive testing and scheduling of implementation,
- Providing training to end users,
- Performing daily maintenance, including troubleshooting issues as they occur with the system, and
- Providing system security and essential structural set-ups.

**Notes**

**City of Sunnyvale  
Program Performance Budget**

**Program 717 - Payroll Administration**

**Service Delivery Plan 71716 - Maintain City's Payroll System**

	<b>2006/2007 Adopted</b>	<b>2007/2008 Current</b>
<b>Activity 717600 - Perform Daily Maintenance and Troubleshooting of the City's Payroll System</b>		
Product: An Issue Resolved		
Costs:	\$9,506	\$10,183
Products:	60	60
Work Hours:	125	125
Product Cost:	\$158.44	\$169.71
Work Hours/Product:	2.08	2.08
<b>Activity 717610 - Testing and Implementation of Payroll System Upgrades/Enhancements</b>		
Product: An Upgrade		
Costs:	\$6,084	\$6,517
Products:	1	1
Work Hours:	80	80
Product Cost:	\$6,083.97	\$6,517.03
Work Hours/Product:	80.00	80.00
<b>Activity 717620 - Payroll System Security and Structural Set-Ups</b>		
Product: A Request		
Costs:	\$15,970	\$17,107
Products:	120	120
Work Hours:	210	210
Product Cost:	\$133.09	\$142.56
Work Hours/Product:	1.75	1.75
<b>Totals for Service Delivery Plan 71716 - Maintain City's Payroll System</b>		
<b>Costs:</b>	<b>\$31,561</b>	<b>\$33,807</b>
<b>Hours:</b>	<b>415</b>	<b>415</b>

**City of Sunnyvale**  
**Program Performance Budget**

**Program 717 - Payroll Administration**

<b>Totals for Program 717</b>	<b>Costs:</b>	<b>\$439,667</b>	<b>\$444,435</b>
	<b>Hours:</b>	<b>4,475</b>	<b>4,475</b>

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